இணைப்பு IV.

[மேற்கொண்ட விவரங்களுக்கு, மூன்றுவது ஐந்தாண்டுத் திட்டத் துணை வெளியீட்டைப் பார்க்கவும்.]

மூன்றுவது ஐந்தாண்டுத் திட்டத்தின்கீழ் சென்னை மாநில வேலைத் திட்டங்களின் செலவு விவரத்தைக் காட்டுகிற அறிக்கை.

முக்கிய அபிவிருத்தித் தலைப்புகள்.	மொத்த நிதி ஒதுக்கம் (1961-66).	திட்ட மதிப்பீடு (1961-62).	திருத்த மதிப்பீடு (1961-62).	திட்ட மதிப்பீடு (திருத்தியது) (1962-63).
(1)	(2)	(3)	(4)	(5)
	(ரூபாய் லட்சத்தில்.)	(ரூபாய் லட்சத்தில்.)	(ரூபாய் லட்சத்தில்.)	(ரூபாய் லட்சத்தில்.)
I. வேளாண்மையும், சமுதாய வளர்ச்சியும்—				
வேளாண்மை உற்பத்தி	9,66	1,39	1,28	1,89
நில அபிவிருத்தி	1,01	15	30	22
சிறிய பாசனத் திட்டங்கள்	12,80	2,74	2,28	3,12
கால்நடைப் பராமரிப்பு	3,52	46	41	70
பால் பண்ணையும், பால் வழங்கலும்	2,75	98	1,09	97
மீன் வளம்	2,22	33	51	55
காட்டு வளம்	2,12	29	28	42
மண்வளப் பாதுகாப்பு	2,50	44	44	52
விற்பனையும் கிடங்கு வசதியும்	40	6	1	8
சமுதாய வளர்ச்சித் திட்டங்கள்	20,47	3,66	4,41	4,86
கூட்டுறவு	4,71	97	1,02	1,09
மொத்தம்—I ..	62,16	11,47	12,03	14,42
II. பாசனமும், மின்சக்தியும்—				
பாசனம்	27,42	4,14	5,06	5,15
மின்சாரத் திட்டங்கள்	1,00,19	15,51	18,20	18,50
மொத்தம்—II ..	1,27,61	19,65	23,26	23,65
III. தொழில்கள்—				
பெரிய அளவு, நடுத்தரத் தொழில்கள் ..	3,35	9	18	12
கைத்தறிகள்	8,00	1,55	1,74	1,58
சிறிய அளவுத் தொழில்கள்	8,00 }	2,02	1,37	2,17
தொழில் பேட்டைகள்	3,20 }			
கைப்பணிகள்	60	12	7	11
கயிற்றுத் தொழில்	15	3	3	3
பட்டுத் தொழில்	13	3	3	4
கதர்-கிராமத் தொழில்கள்	8	..	..	3
மொத்தம்—III ..	23,51	3,84	3,42	4,08

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மூன்றாவது ஐந்தாண்டுத் திட்டத்தின்கீழ் சென்னை மாநில வேலைத் திட்டங்களின் செலவு விவரத்தைக் காட்டுகிற அறிக்கை—தொடர்ச்சி.

முக்கிய அபிவிருத்தித் தலைப்புகள்.	மொத்த நிதி ஒதுக்கம் (1961-66).	திட்ட மதிப்பீடு (1961-62).	திருத்த மதிப்பீடு (1961-62).	திட்ட மதிப்பீடு (திருத்தியது) (1962-63).
(1)	(2)	(3)	(4)	(5)
	(ரூபாய் லட்சத்தில்.)	(ரூபாய் லட்சத்தில்.)	(ரூபாய் லட்சத்தில்.)	(ரூபாய் லட்சத்தில்.)
IV. போக்கு வரத்தும், செய்தித்தொடர்பும்—				
சாலைகள்	11,00	1,87	1,81	2,05
உல்லாசப் பயணம்	25	2	1	6
மொத்தம்—IV ..	11,25	1,89	1,82	2,11
V. கல்வி—				
கல்வி	25,43	2,31	2,31	3,96
கலாசார நடவடிக்கை	21	..	..	3
தொழில் நுட்பக் கல்வி	6,52	1,19	67	1,20
மொத்தம்—V ..	32,16	3,50	2,98	5,19
VI. சுகாதாரம்—				
தண்ணீர் வழங்கல்-வடிகால்—சென்னை மாநகராட்சி மன்றம்	2,00	92	1,10	1,00
நகரப் பகுதியில் தண்ணீர் வழங்கல்	7,50	1,47	1,20	1,41
கிராமப் பகுதியில் தண்ணீர் வழங்கல் ..	1,50	40	16	14
மற்றச் சுகாதாரத் திட்டங்கள்	10,50	2,60	2,75	2,75
மொத்தம்—VI ..	21,50	5,39	5,21	5,30
VII. பின் தங்கிய வகுப்பினர் நலன்	3,26	57	58	71
VIII. சமூக நலன்	52	3	..	3
IX. தொழிலாளர் நலன்	1,33	20	10	26
X. வீட்டு வசதியும், நகர அபிவிருத்தியும் ..	7,00	1,21	1,17	1,42
XI. புள்ளி விவரம்	24	4	4	4
XII. பலவகை	35	8	5	6
பெரு மொத்தம் ..	2,90,89	47,87	50,63	57,27

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[Vide item IV on page 100 English version of the Budget Special

Sir,

I rise to present the Budget for 1962–63. Honourable Members are aware that an interim Budget for the current year was presented to the old Legislature in December last and a Vote on Account was obtained to cover the expenditure of the Government during the first four months of the year. That Budget has been recast in the light of the fuller data now available in regard to trends of receipts and expenditure and so as to reflect the new programmes and policies of the present Government.

2. A comparison of the figures of revenue and expenditure as embodied in the Interim Budget and the Budget now before us will reveal an increase in revenue from Rs. 92·71 crores to Rs. 106.50 crores and an increase in expenditure from Rs. 99.67 crores to Rs. 116·01 crores. In drawing conclusions based on these figures, however, a word of caution is necessary. The present Budget is based on the revised classification of accounts introduced by the Government of India. Apart from certain significant changes in nomenclature, under the present revised classification the interest paid by commercial departments is shown as receipts instead of as deduction of expenditure as hitherto. Likewise, working expenses on irrigation and commercial departments are shown on the expenditure side instead of as deduct entries on the receipts side. The revised procedure does, therefore, tend to inflate the figures both of revenue and expenditure. In judging the trends of receipts and expenditure, the purely notional increase of about Rs. 8 crores each on either side due to revised classification should be set off. Even after making such allowance, it is, however, clear that both revenue and expenditure are now larger than anticipated at the time of presentation of the Interim Budget. This buoyancy, alike in revenues and expenditure, is traceable to the forces at work in our economy due to the implementation of the Third Five-Year Plan. The increase in revenue is under heads such as General Sales-tax, Central Sales-tax, Motor Spirits tax and Taxes on vehicles and is in a measure an indicator of the increased economic activity all round under the stimulus of the Third Five-Year Plan. The increase in our expenditure is even more directly relatable to the Plan. The significant increases in expenditure have been under heads, such as "Education", "Medical" and "Agriculture". The Budget figures can, therefore, be properly evaluated only against the background of the State's Third Five-Year Plan, which itself is part of an ambitious national plan aimed at improving the living standards of the people. I, therefore turn to a brief review of the progress achieved under different heads of development as an essential preliminary to the consideration of the Budget proposals for the current year.

Agriculture Production.

3. Such a review should begin appropriately with our agricultural developmental programmes, for not only does agricultural production constitute the most important single element in our

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national income but also provides the basis for industrial expansion. We have reason to feel gratified about the results achieved in the sphere of agricultural production during the first two Five-Year Plans. At the commencement of the First Five-Year Plan, production of foodgrains in Madras was of the order of 38 lakh tons and this had, by the end of the First Plan, increased to 44 lakh tons. During the Second Five-Year Plan period, in spite of an acute scarcity of chemical fertilizers, we achieved an increase of 9 lakh tons, the total production being of the order of 53 lakh tons. We have placed before us a target of 70 lakh tons to be attained by the end of the Third Five-Year Plan and this would entail an additional production of 17 lakh tons. This increased production has to be attained as a result of concerted action under several heads, such as, Irrigation (Major and Minor), Land Development, Supply of Fertilizers and Manures and Improved Seeds.

Chemical fertilizers.

4. Our plans for increased production place heavy reliance on fertilizers and manures, both organic and inorganic. Honourable Members will, therefore, be particularly pleased to hear that during 1961–62, there was appreciable improvement in the availability of the nirogenous fertilizers like ammonium sulphate, urea, calrium, ammonium nitrate, etc. The total quantity of nitrogenous fertilizers applied to the ryots increased from 1.10 to 1.49 lakh tons in terms of ammonium sulphate. The position will improve further when the Neyveli Fertilizer Plant goes into production. There are hitherto been no separate allotment for food crops and non-food crops. From 1962–63, it is proposed to earmark specific quantities of fertilizers for food crops and for each of the main commercial crops like cotton.

Local manurial resources.

5. While looking forward to the increased use of chemical fertilizers, we are at the same time also seeking to develop local manurial resources, as the best results can be achieved only by the use of inorganic manures in conjunction with the organic. The present level of production of manure in the villages should be raised by conserving all the locally available resources and converting them into compost, the farmers being trained in methods of improved compost-making. Out of the 375 blocks in the State, the scheme for development of local manurial resources was in operation in 202 blocks in 1961–62. It is proposed to extend the scheme to 51 blocks during 1962–63. Honourable Members will be pleased to note that during 1961–62, the production of rural compost increased by nearly 12·75 lakh tons.

Local manurial resources.

6. We are also making steady progress in the distribution of improved seeds on the basis of production of primary seeds in

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State Seed Farms and their multiplication at the secondary stage at the village level in close association with the Village Panchayats. We had 136 State Seed Farms functioning at the end of 1961–62 and the teething troubles of these seed farms which were organised in the face of heavy odds may now be said to be over. Though the State Seed Farms are not to be looked upon as commercial propositions, it is encouraging to note that 87 of these farms have shown profit during 1961–62. A system of multiplication and distribution of improved seeds through Grama Sahayaks selected by the Panchayats was initiated in the first two batches of Panchayat Unions during 1961–62 and will be extended to the third batch of the Panchayat Unions during 1962–63. The total quantity of seeds distributed during 1961–62 has increased by more than 2,500 tons and this is a measure of the interest which the new democratic bodies have taken in agricultural production programmes. We are, however, yet to ensure that all the improved seeds produced in the village is conserved and released to the ryots at the commencement of the sowing season. The problems of storage and credit involved in this process can be successfully tackled only if we are able to associate the co-operative credit societies fully with the implementation of the programme. The Government are now addressing themselves to this problem and would welcome suggestions from the Honourable Members.

Improved implements.

7. Increase of agricultural production calls for not only fertilizers and improved seeds but also improved implements. A new scheme for supply of improved implements to ryots was taken up during 1961–62. In spite of the rather late start, 22,875 improved ploughs had been supplied by the end of the financial year. This number will be increased to 140,000 during 1962–63.

Commercial crops.

8. While increase in food production is a matter of vital concern to us, equal importance has to be attached to increased production of commercial crops like cotton and oil-seeds. To meet the shortage of cotton, especially the long staple cotton needed for textile industries, an integrated cotton development scheme will be implemented in the State during the current year bringing both the extension work and seed multiplication work under unified control. It is also proposed to concentrate attention on the extension of the cotton cultivation in rice fallows during the off-season in the districts of Tiruchirappalli, Thanjavur, South Arcot, North Arcot and Chingleput districts. Loans would be given to ryots for purchase of fertilizers and pesticides made available at concessional rates for stepping up production of long staple cotton.

9. The groundnut crop occupies an important place in the agricultural economy of quite a few districts in the State and as a part of the larger scheme of stepping up of additional production of oil

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seeds, it is proposed to introduce a package programme in respect of groundnut crop in Kurinchipadi and Panruti blocks in South Arcot district with the objective of increasing production by 40 per cent.

10. If we are to succeed in our long-term objective of raising the living standards of our rural population, we should also seek to diversify our agriculture and introduce new crops and lines of production with potentialities for growth. Cocoa is one such crop which it is possible to grow in parts of the State. We propose to begin with plantations of criollo variety on a pilot scale in Kanyakumari, Tirunelveli and Madurai districts and an initial provision of Rs. 1 lakh has been made in the Plan for the Third Plan period. If our efforts prove successful, it should be possible not merely to meet our domestic needs but also secure a surplus for export.

Agricultural Research.

11. Long-term improvements in agriculture are closely linked with intensified research. Three of the existing research stations at Aduthurai, Tindivanam and Koilpatti have been upgraded to the status of full-fledged regional research stations for tackling all problems connected with the major crops of the region. Honourable Members are aware that in 1961–62, we opened six agricultural schools in the districts of Tirunelveli, Ramanathapuram, Coimbatore, Thanjavur, North Arcot and South Arcot for imparting technical training to farmers in these districts in improved methods of scientific agriculture. These schools are working satisfactorily and will be continued. We also now propose to open six additional schools in the remaining districts. With a view to effecting improvement in cultural, manurial and plantation practices adopted for cultivation of banana a research centre is being established in the Lower Palnis of Madurai district. Steps are being taken to select suitable lands for the purpose and the centre will start functioning soon.

12. To give advice to farmers on application of fertilizers based on soil tests, two soil testing laboratories were set up at Coimbatore and Aduthurai in 1960–61. In view of the increased demands for services of these two centres, it has been proposed to establish two more laboratories of this kind, one at Cuddalore and the other at Koilpatti. A seed testing centre is also proposed to be established at Thanjavur district under the package programme. It is by such intensive research and full utilisation of modern scientific knowledge that our agricultural economy, which has been stagnant for ages can be placed on a sound basis.

13. Honourable Members are aware that in recent years there has been appreciable demand for bulldozers and other equipment for reclamation of lands. The Agricultural Department's fleet was unable to meet all these demands. The House will be glad to know that during 1961–62, we procured seven Russian and eight American bulldozer units and that the departmental fleet together

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with these units would be able to execute land reclamation schemes with greater expedition. During the current year, we expect to receive 14 more units for which orders have been placed already.

Soil Conservation.

14. While concentrating attention on stepping up yields in agriculture, we have not overlooked the long-term problems like soil conservation which have an important bearing on agricultural production. The allotment for Soil Conservation in the Third Five-Year Plan is Rs. 250 lakhs. During 1961–62, an area of 71,052 acres in the plains and 3,595 acres in the hills was tackled and during 1962–63, we propose to cover an area of 75,000 acres in the plains and 2,000 acres in the hills.

15. If the soil conservation schemes are to make more rapid progress and the improved agronomic practices associated with soil conservation are to secure wider acceptance, it is necessary to get peoples' organisations like Panchayats and Panchayat Unions interested in the programme and to implement the programme largely through their agencies. Government have, therefore, as a first step, entrusted the execution of soil conservaion programmes to Panchayat Unions in three selected blocks each in Coimbatore and in Salem districts. Soil conservation measures will be undertaken in an extent of 7,500 acres in each block. Three-fourths of the expenditure will be met by Government as a grant while the balance will be advanced to the beneficiaries as loan repayable in five years. The reports available so far indicate that the programme has got off to a good start. These soil conservation works, which will be carried out mostly during the off-season, will help ensure fuller utilisation of the idle man-power in rural areas. Government would welcome suggestions from honourable Members from these areas in reard to the working of the scheme.

Irrigation Schemes: Major and Medium.

16. Our irrigation schemes are being implemented with the usual vigour. Honourable Members may have heard of complains elsewhere of failure to utilise the irrigation potential created. Our ryots have, however, not been slow in utilising the irrigation facilities made available. Out of the targetted area of 2·92 lakhs of acres for irrigation during the Second Plan period, 2·62 lakhs of acres have been brought under cultivation thus indicating a very high degree of exploitation of the irrigation potential created. The Parambikulam–Aliyar Project—the biggest irrigation project now under execution—is in good progress and with the completion of Aliyar dam—the first in a chain of dams to be constructed under the project—, water is expected to be let down by the middle of October 1962 for irrigation over an area of 10,000 acres in Pollachi taluk. The execution of canal works is in progress simultaneously with the headworks and there will, therefore, be no time lag in utilisation of the irrigation facilities created. Honourable Members of the House will be glad to learn that a pro-

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sion of Rs. 453 lakhs has been made for this project for the current year. The Government have also decided to take up the following seven medium irrigation projects for execution during the Third Five-Year Plan :—

Name of the scheme.	*Total cost.* (Rs. in lakhs.)
Improvements to the Palar Anicut and Channels	48·10
Sathanur (Stage II)	55·00
Chittar Pattanamkal Scheme	272·00
Modernisation of Vaigai Channels	263·00
Gomuki Nadhi Scheme	87·00
Manjalar Scheme	65·80
Manimukthanadhi Scheme	88·00

Besides these, the formal approval of the Planning Commission is also being sought for the inclusion of Ramanadhi Scheme (Rs. 18 lakhs) and Gatana Reservoir Project (Rs. 89 lakhs).

Minor irrigation.

17. Considerable importance has been given also to minor irrigation in the current year's Budget. The new well subsidy scheme which was hitherto implemented only in non-block areas will be extended to all areas of the State and a provision of Rs. 74 lakhs has been made for the scheme. We are also pressing on with schemes for the sinking of artesian and sub-artesian wells in an attempt to tap underground water resources in areas where there are no surface irrigation facilities. A provision of Rs. 94 lakhs has been made in the Third Plan for the scheme. We have now decided to increase the target for sub-artesian wells to 500 a year. Loans up to a maximum of Rs. 6,000 per well will be provided with a subsidy of 10 per cent subject to a maximum of Rs. 500 in each case. The scheme for grant of loans not exceeding Rs. 3,000 for sinking filter-point wells is also being continued and we have targetted for 400 filter-point wells in 1962–63. We have also drawn up a scheme for the sinking of tube wells at State cost and charging water-rates from ryots who utilise the water for irrigation. It is proposed to sink 150 such tube wells during the Third Plan period.

18. The Special Minor Irrigation Programme, aimed at improving irrigation tanks and channels, is being implemented with zeal and a provision of Rs. 171 lakhs has been made in the current year. The Government are aware of the further large possibilities under minor irrigation and every effort will be made to implement the programme. Apart from all these Government-sponsored schemes of irrigation, the installation of electric pumps for irrigation by the ryots themselves is also making remarkable progress. At the beginning of the First Plan period, we had only 14,626 agricultural pump-sets connected to power and it is a

measure of the significant advance in agricultural production we have made that the number of pump-sets has now increased to nearly 1·4 lakhs or nearly ten times over a period of ten years. We lead the rest of India in the harnessing of power for agricultural purposes.

Animal Husbandry.

19. We also continue to pay adequate attention to the implementation of schemes for improvement of livestock. The dairy farm at Ootacamund has been taken over from the municipality and we have plans for development of the Jersy breed of cattle in this farm. A provision of Rs. 2·55 lakhs has been made for the purpose in 1962–63. We have now five livestock farms in Hosur, Pudukottai, Chettinad, Ootacamund and Orathanad and we propose in the current year to open another livestock farm in Tirunelveli district. We have also recognised the need for stepping up facilities for treatment of cattle and are now working towards the ideal of one Veterinary Dispensary for each block. We had sanctioned the establishment of 25 Veterinary Dispensaries in 1961–62 and in 1962–63 have programmed to start 30 such Veterinary Dispensaries. The most important of our Animal Husbandry Schemes is the Key Village Scheme aimed at all round development of cattle by adoption of scientific methods of feeding, breeding, management and disease control. This scheme will be further expanded and intensified. Six Key Village blocks have been sanctioned during the year. We have in recent years also taken up schemes for development of poultry on a large scale with a view to assure a more balanced diet for our people. Five poultry extension centres had been opened during 1961–62 and during the current year provision has been made for the establishment of four more centres.

Forests.

20. In any pattern of rational land use and management. forestry must be accorded its due importance. With the reorganisation of the State, our forest resources have dwindled and we have now only 17 per cent of the land under forests against the all-India optimum of 33 per cent. Emphasis has, therefore, been laid in the Third Five-Year Plan on the extension of forest areas in the State at a cost of Rs. 2,12 lakhs and about four lakhs of acres are expected to be added to the forest area during the Third Plan period. In this process of expansion, we are also striving to meet, to some extent, the increasing public demand for fuel and the needs of our growing industries for raw materials. The Government have felt for some time now that efforts should be made to meet the fuel problem of the Madras City and that to this end special plantations of quick growing fuel species should be undertaken in the waste lands within economic distance from the City. Any such programme for meeting the growing needs of the State for fuel can naturally be implemented only over a period of years and the Government propose to make a beginning this year with undertaking plantation of quick growing fuel species

like Eucalyptus hybrid over an area of nearly 2,000 acres in Chingleput, North Arcot and South Arcot forest divisions. Honourable Members will be glad to know that a provision on Rs. 2·83 lakhs has been made for this purpose in the current Budget. Some of our large industries such as the Paper Industry, Rayon Industry and Tanning Industry need forest produce like bluegum and wattle for their raw materials. During the Plan period, we propose to raise these plantations over an area of 20,000 acres in the Nilgiris and Upper Palnis. During 1961–62, 3,825 and 642 acres were covered and for the current year we have programmed to raise another 4,423 acres at a cost of Rs. 2·47 lakhs. Bamboo is also a valuable raw material for the paper industry and during the current year, we propose to raise it over an area of 1,040 acres.

Fisheries.

21. With a long coast line and a number of inland water sources, there are possibilities for development of fisheries in our State. We are continuing our effforts to organise a fishing industry on Modern and scientific lines and to raise the economic development of the fishermen by stepping up production of fish. We have programmed to build 70 mechanised boats during the year 1962–63 and to supply 28,000 pounds of nylon twine for distribution among the fishermen. We are also seeking to develop fishing harbours and provide landing facilities at suitable river mouths. Under this scheme, the port of Cuddalore has been taken up and most of the construction has been completed. The site for the development of a fishing harbour at Nagapattinam Port has been purchased recently, while model studies on the Rayapuram harbour have almost been completed and preliminary estimates have been prepared. During 1962–63, preliminary steps are proposed to be taken for the provision of fishing harbours at Colachel and Tuticorin. It is necessary also to promote a greater awareness among the public of the importance of fisheries in our national economy and to this end it is proposed to set up an Aquarium-*cum*-Research Centre at Madras at a cost of Rs. 11 lakhs out of which a provision of Rs. 2 lakhs has been made in this Budget. This will mark the fulfilment of one of the longstanding demands of the public of the City.

Panchayat development.

22. The various schemes I have outlined for development of agriculture, animal husbandry and fisheries are part of Government's measures to raise the level of the rural economy. If this objective is to be realised, people at the local level will have to assume responsibility in an increasing measure for the drawing up and implementation of schemes of development. It is with this end in view that we have formed Panchayats and Panchayat Unions and made over larger powers and resources to them. Honourable Members will be pleased to hear that these democratic institutions, which have been at work for over one year now, have already displayed drive and energy in pushing through schemes of local

development in their areas. They have evinced particularly keen interest in the provision of basic amenities in the villages, such as, water-supply, link roads and school buildings and on these works of local utility, a Government grant of nearly Rs. 3 crores has been spent during the last year. Adequate provision has been made in the current year's Budget for these works and we have no doubt that the funds made available will be effectively utilized by the Panchayat Unions. They have displayed imagination and vision in mobilising local resources in the shape of voluntary contributions. They have also shown considerable realism and political courage in raising resources from the people by way of additional taxation for implementing the schemes of development.

23. We have entrusted the Panchayat Unions also with the responsibility for implementing agricultural plans in their respective areas and in order to enable them to discharge the responsibility satisfactorily, we have made available a grant of Rs. 2 lakhs for the Third Five-Year Plan period to each of the Panchayat Unions. They have a large measure of freedom in planning within this provision with due regard to local conditions. I have no doubt that this association of the people with implementation of the plans will ensure the success of our efforts in this crucial field of agricultural production. It is only by this process of decentralised planning and execution, that we can create among the people a livelier sense of participation in our national plans.

Co-operation.

24. The other democratic agency at the village level which can play an important part in the economic development of the rural areas is the co-operative. On this front too, we have been making steady progress. All the villages are now covered with Co-operative Societies and 62 per cent of the rural population has been brought within its scope. Co-operative credit is progressively becoming a significant element in our rural economy and during 1961–62 the co-operative credit societies had disbursed Rs. 31·47 crores as loans to agriculturists. The performance of the Co-operatives was thus substantially in excess of the target of Rs. 28 crores for the year. Honourable Members are already aware of the Full Finance Scheme working in this State. Under this scheme, an attempt is made to meet all the credit requirements of the agriculturists through the co-operative agency. This scheme is proposed to be extended in the current year to fifty-six more blocks so as to cover all the first batch of Panchayat Unions. We are also trying to extend the benefits of Co-operative credit to small landholders and tenants who had hitherto not reaped the full benefits of cheap co-operative credit. An impressive beginning has been made in the intensive agricultural development areas in Thanjavur district, where credit is now provided to agriculturists on the basis of agricultural production plans. Of the nearly 26,000 members granted loans under the scheme, 8,220 beneficiaries were tenants and 5,269 were owners-*cum* tenants. We should further enlarge the scope of the Co-operative credit so

8,220 beneficiaries were tenants and 5,269 were owners-cum-tenants.

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and thus realise the objective of the Rural Credit Survey Committee of linking credit to "credit-worthy purposes rather than credit-worthy persons". Such a process of expansion will, no doubt, carry with it an element of risk and the co-operative societies will expect a measure of assurance against losses. In order to strengthen the reserves of the societies and thus provide them a cushion against unexpected losses in financing the tenant class of agricultural producers, the Government have decided to constitute a Special Bad Debt Reserve Fund to the tune of Rs. 80 lakhs. As a first step, a provision of Rs. 12 lakhs is being made in the current year's Budget. This amount which will be distributed among the societies will also strengthen the confidence of the Reserve Bank of India and other lending institutions and will thus ensure a larger inflow of money into the co-operative movement. The contribution to societies will be at 3 per cent of the additional loans made during the year over those advanced in the previous year and the contribution to the Central Bank will be at 1 per cent of the additional advances provided to the societies. In areas in which the intensive agricultural district programme is implemented, the contribution to the village society will be at 4 per cent and to the Central Bank at 2 per cent.

25. Co-operative farming societies also continued to make headway. During 1961–62, 26 co-operative farming societies were started, financial assistance was given by way of share capital and working capital loans and subsidies for specified purposes. The programme for the current year contemplates the establishment of ten co-operatives in each of the pilot project areas to be established in the districts of Salem, Chingleput and Coimbatore. Besides, nine more Joint Farming Societies are proposed to be formed in the districts of Ramanathapuram, Tirunelveli and Madurai and five Joint Farming Societies in the non-pilot areas.

Industrial Development : Central Sector Projects.

26. The State has also made impressive progress in industrial development, both in public and private sectors. A number of new lines of production have been undertaken and in the process a new entrepreneurial class is emerging which augurs well for the further industrial development of the State. The biggest project in the public sector is, of course, the integrated Neyveli Lignite Project for the exploitation of the extensive lignite deposits (estimated at 2,000 million tons). The lignite will be utilised for the generation of power for production of urea and for the manufacture of carbonised briquettes. The white clay excavated in the process of mining will be purified in a clay washing unit and used for manufacture of ceramic wire, insulators, etc. The clay washing plant has already gone into production and the washed clay is being sold. The erection of plant, machinery and equipment in the first unit of the Power Station has been completed and the 50,000 Kilowatt unit has already had its trial run. In respect of the Fertiliser Plant under erection with Italian collaboration, civil works are in progress and orders have been placed for structurals. A good part of the

equipment has already arrived at the site. As regards the carbonisation and briquetting plant, the structurals have already arrived and the equipment has also started arriving. We have reason to feel gratified with the progress recorded in the current year in the Neyveli Lignite Project.

27. Members are aware that our aim is ultimately to have a steel plant based on the Salem iron ore and Neyveli lignite. Large scale tests have been undertaken on the application of the low-shift furnace technique to the smelting of Salem iron ore with high temperature coke made from Neyveli lignite. We have sent one of our officers along with an officer from the Neyveli Lignite Corporation to East Germany and Norway to observe the tests and to assist in the preparation of a scheme report on the basis of the results of the tests. The early reports we have received from East Germany have been encouraging and we may reasonably expect that high temperature coke suitable for metallurgical purposes in general and for iron production in the low-shaft furnace in particular can be obtained from Neyveli lignite. We have also received reports on the results of the tests conducted in the National Metallurgical Laboratory, Jamshedpur, on the production of iron from Salem iron ore and Neyveli lignite. These tests have shown that pig-iron suitable for foundry purposes and for steel making could be obtained from these two materials.

28. Other Central sector projects in this State have also made appreciable progress. The Hindusthan Teleprinters Limited, a company entirely owned by the Government of India, is setting up a factory near Guindy for the manufacture of teleprinters and ancillary equipment. The State Government have provided an extent of 35 acres of land free of cost for the location of the factory. Construction of Buildings is in progress. The Surgical Instruments Project is also being implemented by the Government of India in agreement with the Russian authorities. The factory site and the site for housing colonies have been taken over by the Project authorities and administrative buildings are under erection. The Raw Film Project at Ootacamund for the manufacture of cinema film, photographic films, X-ray films, etc., is being implemented in technical collaboration with a reputed French concern. Government lands measuring 280 acres have been handed over free of cost to the factory and the water requirements of the Project will be met from Sandynallah Reservoir. Buildings are under construction and orders have been placed for plant and machinery. Equipment to the value of Rs. 10 lakhs has been received.

29. Another Central industrial project is the High Pressure Boiler Plant at Tiruchirappalli. Out of the 3,050 acres of land required for the factory, 2,450 acres have been acquired and handed over and the site is being prepared. An Indian team has been sent to Czechoslavakia to assist the Czech Experts in preparing the project report for the High Pressure Boiler Project. The preparation of the Project report is expected to be completed by August–September this year.

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30. Hon. Members are also aware of the decision of the Government of India for setting up a Defence Industries Project at Avadi. The State Government are acquiring the lands required for the project and are also arranging for water-supply. Government have also constructed a hostel to accommodate 100 artisan trainees to be absorbed in Defence India Project.

31. In assessing the benefits accuring to the State from the implementation of the Third Plan, Honourable Members should thus take into account not only the outlays in the State sector but also the outlays directly made by the Central Government in big projects of the nature outlined above.

State Project.

32. Various Departments of Government, particularly, the Industries and the Public Works Department need large quantities of iron and steel materials for the execution of their schemes which are often held up on account of interruptions in supplies of these materials. The State Government have, therefore, dicided to set up during the Third Plan a steel re-rolling mill with a capacity of 20,000 tons in the public sector. An application has been made to the Government of India for the grant of a licence under the Industries Development Regulation Act.

Private Sector.

33. In evaluating our progress in industrialisation, we must take note also of the various industrial units which have been licensed in the private sector. During the last year alone 45 engineering units have been licensed covering manufacture of steels, structurals, machinery, engines, automobile parts, etc. Three undertakings have been licensed for the manufacture of special steels, tool steel, high speed steel, and nichrome steel. A factory has been licensed to manufacture 48,000 tons of electric resistance welded steel tubes. The manufacture of marine diesel engines and engines for industrial and other purposes has been licensed recently. The India Pistons who are now engaged in the manufacture of automobile components and accessories have been granted a licence for substantial expansion of their capacity. Licences have also been granted to two units for the manufacture of pulp and paper-mill machinery and for another unit for the manufacture of rayon grade caustic soda plant and sulphuric acid plant at Madras. A licence has been granted for setting up a factory at Arkonam for the manufacture of ball-bearings and two units have been licensed for the manufacture of machine tools at Hosur and Coimbatore respectively.

34. We have also made appreciable progress in the sphere of chemical industries. The Dhrangadhra Chemicals Limited, and India Cements have been granted licences for the manufacture of Poly-vinyl-chloride. The Dhrangadhra Chemicals have recently been licensed to manufacture Calcium Carbide also.

35. Good progress has been shown by the Seshasayee and Paper Boards, Limited and the Government have assisted them with the supply of their basic raw material, bamboo, at agreed rates. In 1961–62 licences have been issued for two more paper factories. It is hoped that they will also start functioning before the end of the Third Plan period.

36. The South India Viscose, Limited, licensed for production of staple fibre and rayon yarn, has gone into production. The progress made by the Madras Aluminium Company is also encouraging. As Honourable Members are aware, this Company has been licensed for the manufacture of 10,000 tons of aluminium ingots and aluminium alloys utilising the bauxite deposits of the Shevaroy hills. The construction of buildings for the factory in Mettur is in progress. Arrangements have also been made for the import of machinery.

37. Madras is one of the principal salt- producing States in the country with vast scope for starting production of chemicals such as potassium choloride, bromide, etc., from bitterns which are left behind after the salt crystals are separated from the brine. We have recommended two applications for the establishment of marine chemical industries in Vedaranyam in Thanjavur district and the Government of India have since granted licence to one of them. The other one is also likely to be licensed shortly.

38. At the end of the Second Plan period, there were eight sugar factories in the State, five in the private sector and three in the co-operative sector. Licences have been issued for eight new sugar factories, of which three will be in the co-operative sector at Mohanur (Salem district), Kallakurichi (South Arcot district) and Samayanallur (Madurai district.) All of them will be established before the end of the Third Plan period. A licence has also been issued for setting up a Central Power Alcohol Plant at Tiruchirappalli with a capacity of 2 million gallons per annum for utilising the molasses produced in the sugar factories.

39. The State Government have been assisting industrialists in the private sector in their plans by using their good offices with the Government of India for grant of licences and also by arranging for supply of power and water which are so vital for industrial development.

40. The Madras Industrial Investment Corporation in which Government hold the bulk of the shares has also assisted the establishement of new large scale industries with grant of long-term loans and during last year the Corporation had sanctioned loans for an aggregate amount of about 1·23 crores. The Corporation has been guaranteeing purchase of machinery on deferred payment terms, and underwriting subscriptions of shares for new industrial undertakings.

41. Government have also recently decided to secure the services of an Industrial advisor for the preparation of project reports for metallurgical and engineering industries. These

reports would be made available free of cost to the prospective industrialists. It is due to the concerted efforts and close collaboration of all the three parties—the Central Government, the State Government and the private entrepreneurs that this State has made such rapid strides in industrialisation in recent years.

Technical Education.

42. One of the major determinants of the pace of industrial expansion in any economy will be the availability of trained man-power and we have therefore devoted adequate attention to programmes of technical education. During the Second Plan period, we had established 2 new Engineering Colleges and 14 Polytechnics enabling a two-fold increase in admissions in degree courses and a three-fold increase in admissions for diploma courses. The programme for expansion of facilities for technical education in the Third Plan period has been fixed with due regard to the additional requirements of man-power in the State and Central Plans. We have also taken into account the needs of the private sector and allowed for migration of a certain number of engineering personnel to the other parts of the country.

43. A regional engineering college with an annual intake of 250 students is to be set up at Tiruchirappalli during the Third Plan period. The Government of India would be spending about 60 lakhs of rupees on this programme, while the State Government would meet the cost of land and recurring expenditure. Steps are being taken to acquire the lands required for the regional engineering college and a provision of Rs. 4 lakhs has been made in the Budget Estimates for 1962-63.

44. With the setting up of a number of chemical industrial units in the State, the need has also been felt for the establishment of a special centre for training supervisory personnel in fertiliser and other allied industries in private and public sectors. Decisions will soon be taken on the establishment of this centre on the basis of the report of an Expert Committee appointed by the Government. A token provision has been made in the Budget for 1962-63 out of the total estimated cost of Rs. 12 lakhs.

45. The P.S.G. College of Technology at Coimbatore and Alagappa Chettiar's College of Technology at Karaikudi now have polytechnics attached to them. As it is now proposed to step up the intake of students into the degree courses in these two institutions, it is considered necessary to separate the polytechnics from the engineering colleges in these two institutions. Separate polytechnics will be established at these two institutions and a provision of Rs. 2 lakhs has been made in the current year's Budget towards the State Government's share of grants-in-aid payable to these institutions.

46. Technical education is very costly and Government have for some time past felt the need for the framing of a scheme of financial assisance to poor students of more than average abilities

to enable them to meet the cost of these expensive courses of study. Honourable Members are aware how in pursuance of this objective, the Government have recently sanctioned a scheme for grant of loan to children of non-Gazetted Government servants and teachers for prosecution of studies in technical colleges. The Government have now decided that this scheme for sanction of grant of loans should be made applicable to all of being confined to non-gazetted Government servants and teachers. Interest-free loans will be granted to poor students on the basis of personal security, the amounts being repaid by the students after their future earnings on completion of their course of study. I am sure that this scheme will enable students from poor and middle class families to join technical colleges in larger numbers and thus ensure real and effective equality of opportunity for higher education for the different sections of the society.

47. Government have also sanctioned the establishment of a separate Polytechnic for women in Madras City with provision for studies in Electronics, Secretarial Courses, Civil Engineering and Costume-designing and Dress-making.

48. The needs of trained personnel of our rapidly expanding industries cannot be met by engineering colleges and polytechnics alone. We will also need a large number of trained craftsmen. We have therefore programmed to open 14 industrial training institutes in the State for the training of craftsmen during the Third Plan period. During 1961–62, we had established six new industrial institutes at Salem, Katpadi, Ariyalur, Tiruchendur and Pollachi. The institute at Pollachi has since been shifted to Dharapuram. During the current year, we have proposals to establish six more institutes at Chingleput, Coonor, Paramakudi, Madurai, Tiruchirappalli and Dindigul. Besides, we have also undertaken a programme for training of apprentices in industrial establishments . The successful implementation of this scheme depends upon the active co-operation of the industrialists and I hope that in the general interests of the industrial development of the country, they will assist us in implementing the apprenticeship training programme in a big way. The Apprenticeship Act of 1961 also makes it obligatory on the part of industrial establishments to train apprentices and a survey has been undertaken for assessing the facilities available for training in industrial establishments.

49. It is necessary also to provide facilities for our industrial workers to acquire higher skills by undergoing courses of training outside their normal hours of work and to this end, a scheme for evening classes for industrial workers at the Industrial Training Institutes is being implemented. We have already such classes functioning in the Industrial Institute at Broadway and Guindy in the Madras City. During the last year, the Coimbatore Centre had also started these evening classes and during the current year the scheme is proposed to be extended to Madurai.

Small Scale Industries.

50. We cannot realise our objective of raising the living standard of our people and providing increase opportunities for employment by large scale and heavy industries alone, however spectacular they may be. Only by a general development of small scale industries, we will be able to make a visible impact on the employment situation in the State. We have studied the problems of establishment of small scale industries in some measure and have initiated steps which will lead to a more widespread growth of small scale industries. The establishment of industrial estates with provision for developed and planned sites with essential common facilities like power, water, etc., was the first important step which we took in promoting small scale industries. During the Second Plan period, we have completed seven industrial estates including the one at Guindy which has evoked praise from all quarters. During the last year we completed the industrial estates at Thanjavur and Katpadi and these have started functioning. Acquisition of lands is in progress for the Industrial Estate at Salem. We have made a provision of Rs. 320 lakhs for the establishment of new industrial estates and for expansion of existing one. The new industrial estates are proposed to be established at Theni at Rs. 5·37 lakhs and at Pudukkottai, Karaikudi, Koilpatti, Arkonam, Krishnagiri at Rs. 9.69 lakhs for each. An industrial estate at Dindigul at a cost of Rs. 15·91 lakhs has also been planned. Besides, an industrial estate for Ceramics in Vriddachalam in South Arcot district and an industrial estate for Leather goods at Perambur have also been programmed. A big industrial estate with 70 units is proposed to be established at Ambathur. Honourable Members are aware that the area around Avadi is fast developing into a highly industrialised suburb of Madras. With a view to encourage further the establishment of a number of medium and large scale industries, the Government have taken on hand a programme for acquisition of land and provision of developed plots in Ambathur at a cost of nearly Rs. 60 lakhs. The provision of such developed plots will help attract a number of industrialists to this area and thus provide increased employment opportunities for our growing population.

51. We have also proposed to start co-operative industrial estates at Pollachi, Tuticorin, Sivakasi and Vyasarpadi. Steps for acquisition of lands have been initiated in all these cases. A big private industrial estate has also been planned at Coimbatore and proceedings for acquisition of over 200 acres of land for the industrial estate are in progress. The Government will extend financial assistance to such private industrial estates in the form of loans.

52. The main problem of small scale industries has always been credit. Government, have, therefore, established an Industrial Co-operative Bank for canalising funds to Industrial Co-operative Societies and small scale industries. The Bank will commence work shortly.

Power.

53. In the development of power which is the basis for industrial development, we have registered substantial progress. Of our total plan outlay of Rs. 290.89 crores, a very large portion, namely, 100 crores has been earmarked for power development. The installed capacity of our Electricity System which was of the order of 156,000 Kilowatts at the beginning of the First Plan has now increased to 571,000 Kilowatts. With the execution of Kundah Hydro-Electric Scheme, Periyar Second Stage Extension and Periyar Hydro-Electric Schemes, we will be adding to our grid a capacity of 560,000 Kilowatts. Further, with the commissioning of the Thermal Plant as part of the Neyveli Lignite Project, power to the extent of 181,000 Kilowatts will be fed into the Madras Grid. The work in respect of all these schemes is in good progress. The work relating to Kundah I and II stages has been completed except for the Upper Bhavani Dam which is expected to be completed in 1963–64. The Kundah III Stage Extension Scheme, which has secured Canadian assistance to the extent of 22 million dollars is being pushed through with the utmost expedition. The civil works on the Mettur Tunnel Hydro-Electric Scheme are well advanced and orders have been placed in the Soviet Union for the generators and other equipment required for the Project.

54. Even with the completion of all these projects during the Third Plan period, the demand for power will outstrip the supply. We have, therefore, to look out constantly for opportunities for taking up new schemes for expansion of power. Our preliminary investigations have disclosed that two Power Stations with a total installed capacity of 800,000 Kilowatts can be established at Hogenekal. This project which may cost Rs. 58 crores will require the co-operation of the Government of Mysore and let us hope that it will be forhcoming. We have also to press on the Government of India for the establishment of a Nuclear Power Station in the State as the only long-term remedy for the ever-recurring power shortages in our economy. The Government of India have appointed a High Power Committee for selection of sites for the establishment of a Nuclear Power Station and we hope that ultimately one of the sites in our State will be selected, having regard to the capacity of our Grid to absorb the additional power and the net-work of transmission and distribution systems already available.

55. We continue to maintain our lead in rural electrification. The benefits of electricity have now been extended to 13,638 towns, villages and hamlets and it is programmed to cover the remaining villages also by the end of the Third Plan period at the rate of 1,600 villages per annum. The average per capita consumption of electricity has increased from 12 units in 1951 to 62 units, thus providing striking evidence of the advance we have made in the development of power.

Communications.

56. Industrialisation will bring in its wake problems of transport and our communication system should, therefore, be adequate to meet the demands likely to be made on it. We have already a good net-work of roads with a total length of 25,865 miles working out to an average of 0.5 mile of road per square mile area as against the all-India average of 0.26 mile per square mile. We have made a provision of 9 crores for improvement of our communication system exclusive of national highways and against this target a sum of Rs. 2·17 crores had been spent during 1961–62. We are also making substantial grants in the form of road grants to the Panchayat Unions to enable them to maintain the roads of inter-village importance. A provision of Rs. 120 lakhs has been made for payment as local roads grant to the Panchayat Unions.

Tuticorin Harbour Scheme.

57. Large Scale industrial development will also in due course entail increase in the Volume of traffic at the harbours and ports. Keeping this long-term trend in view, we have been pressing the Government of India for the development of Tuticorin as a major harbour. The Government of India have since set up a field division and have initiated preliminary work on this project. With the development of a harbour, we should expect Tuticorin to develop into an industrial complex and the problems of long-term industrialisation in this area should be kept in view and necessary preparatory action initiated. We have, therefore, notified for acquisition a large block of lands required for the major harbour and industrial development. Steps have also been taken for the preparation of a master plan for the Tuticorin area. Investigations for the supply of 10 million gallons of water per day for the use of the Port and for industrial purposes have also been undertaken. We hope that Government of India would accord high priority to the development of Tuticorin harbour and lay down a time schedule for the plan of the harbour works.

Housing.

58. Industrialisation brings in its wake a number of problems which, if neglected, would in the long run become intractable. One of the serious problems we have had to tackle in all industrial areas is housing. The development of industries and growth of towns results in serious rise in land values which hampers programmes for housing for industrial workers and middle-class employees. The State Housing Board therefore has taken on hand a large programme for bulk acquisition of lands in the neighbourhood of large towns like Madras, Madurai, Coimbatore and Tiruchirappalli, so that developed plots at fair or economic rates could be made available for purposes of housing. The outlay on this programme of bulk acquisition exceeds appreciably the plan provision of Rs. 170 lakhs for the purpose. The State Housing

Board is also implementing vigorously the other schemes like Low Income Group Housing, Middle Income Group Housing and Rental Housing Schemes. The programme of the State Housing Board for this year is of the order of Rs. 527 lakhs which will be partly covered by loans and grants to the extent of Rs. 264 lakhs from the State Government.

Labour Welfare.

59. Industrial peace is indispensable for rapid industrialisation. Our labour policy is geared towards this supreme objective of maintaining industrial peace. During 1961, there were only 147 strikes as compared with the 331 strikes in the previous year and the number of man-days lost was only one-fourth of that in the previous year. This marked reduction in the number of strikes is due largely to the acceptance of the code of discipline by a large number of trade unions and employers and I would like to thank all labour leaders and employers for the moderation and public spirit shown by them. The Employees' State Insurance Scheme has been extended to five centres in this State thus bringing the total number of workers covered by this scheme to 2·21 lakhs. Dindigul, Tirunelveli and Kumbakonam are the centres to which the scheme has been recently extended. We have also extended the scheme of Medical Care to the families of insured workers in 12 out of the 20 centres. A new Employees' State Insurance Hospital for the exclusive use of Employees State Insurance patients with a bed strength of 175 together with staff quarters has been constructed at a cost of Rs. 27 lakhs at Kilpauk. An additional floor at a cost of Rs. 11 lakhs for accommodating an extra number of 188 beds is also under construction. The Government have also decided to convert the present Infectious Disease Hospital, Madurai, into an Employees' State Insurance Hospital to accommodate 220 beds. Proposals have also been formulated for the construction of a 270 bedded hospital in Uppilipalayam in the vicinity of Coimbatore.

Education.

60. The objective of all our Plans is not merely to promote economic growth, but as observed in the Plan itself, to enable the people to lead a good life. In a country, where till recently the vast majority of the people were steeped in illiteracy and in ignorance, such good life will be possible only with a phenomenal expansion of educational programmes. Progress in the field of education is also an essential pre-requisite to further advance on the economic front. Our people will be able to take full advantage of the current advances in science and technology only if the general level of competence of the community is raised with the spread of education. We have, therefore, attached considerable importance to the expansion of education, particularly, elementary education in our Plans. Honourable Members are aware of the tremendous expansion in elementary education which this

State has experienced during the last seven or eight years. We have now over 28,000 elementary schools as against only 16,000 schools at the commencement of the First Plan. The progress in terms of enrolment of pupils is even more significant. There are 39.3 lakhs of pupils in elementary schools for the age-group 6—11, as against 18.5 lakhs at the beginning of the First Plan. Nearly 94 per cent of boys of age-group 6—11 have been enrolled. The percentage of girls of school-going-age at school has also increased form 32.5 in 1951–52 to 57 per cent. Our objective of enrolling all children between the ages of 6 to 11 before the end of the Third Five-Year Plan period is, on present indications, likely to be achieved well ahead of the schedule. Apart from a general awakening among the people and their realisation of the value of education, our school meals programme has been largely responsible for the very satisfactory results achieved in the enrolment of children. The scheme now covers nearly one-third of the children at school and in order to make it fully effective, the Government have made the Presidents of the Panchayats also the Chairman of the Midday Meals Committees. The Harijan and women members of the Panchayats have also been made members of these Committees. I have no doubt that this active association of peoples' representatives with the working of the scheme will render it more fruitful and will enable it to be further expanded in future with local resources and local co-operation.

61. The midday meals scheme has also been enriched in quality, thanks to the liberal assistance given by the CARE Organisation, America, to the extent of Rs. 3 crores in the form of rice, wheat, milk powder and vegetable oil during 1961–62. I have no doubt that Honourable Members will join with me in acknowledging the liberal assistance given by the CARE Organisation. There are indications that this assistance will be continued in the coming years also.

62. The expansion of elementary education has also led to keen demands for the opening of higher elementary and high schools all over the State. With the provision of free education for all poor children up to the secondary stage, the need has been felt for the opening of more higher elementary and high schools. Unless these schools are opened in large numbers and fairly widely dispersed, poor people will not be able to take full advantage of the fee concessions extended to them. In 1961–62 alone, we opened as many as 1,461 higher elementary schools and senior basic schools, bringing the total number of higher elementary schools to over 4,500. We also sought to meet the increased demand for high schools with the opening of 272 high schools last year. Even these proved inadequate and in the current year, we have issued sanction for the opening of 195 more high schools. I have also felt that special efforts should be taken for the spread of higher education among girls and that one of the surest ways of ensuring this would be to open separate high schools for girls in larger numbers. Of the 195 schools to be opened this year, 34 will be exclusively for girls.

63. Collegiate education has also registered a striking advance in our State in the last few years and we now have 43 colleges for men and 16 for women. A provision of Rs. 1 lakh has been made for covering expenditure in the current year on construction of new buildings for the Government Arts College, Ootacamund, at a total estimated cost of Rs. 5 lakhs. Provision has also been made for construction of a new hostel building for the Government College at Salem at a cost of Rs. 4 lakhs and for additional blocks for the Raja's College, Pudukkottai, at a cost of nearly Rs. 1 lakh.

64. Expansion of facilities for education is not enough; if we are to ensure equality of opportunity, we should also render it possible for the poorer sections of society to take advantage of the facilities provided. It is only with this end in view that Government formulated the scheme of full-fee concessions up to the completion of secondary education for children of all parents up to an income limit of Rs. 1,200 per annum. There has been a phenomenal increase in the number of poor boys seeking admission in high schools since then. I am glad to announce in the House that the Government have now decided to raise the income limit for eligibility for full-fee concessions up to the completion of secondary course from Rs. 1,200 to Rs. 1,500 per annum in respect of all sections of society.

65. Our expenditure on education is now of the order of Rs. 25 crores per annum. It is because of expansion of development activities like education that we are now faced with excess of expenditure over revenue. But on this account we cannot slow down the tempo of developmental programmes. Nor should we do so. On the contrary, we should mobilise additional resources so that schemes of development could be implemented without any set-back.

Medical Relief.

66. Medical and Public Health services have also witnessed large expansion during the Plan period. Our aim is to have one Primary Health Centre for each block by the end of the Third Five-Year Plan. Of these, 40 Primary Health Centres are proposed to be set up during 1962–63 and a financial provision of Rs. 13·02 lakhs has been made for this purpose. We are also planning a number of improvements to existing hospitals and dispensaries. It has for some time now been felt that the Madras General Hospital is already crowded and that having regard to the expansion of the City in recent years, it would be necessary in due course to have a hospital in South Madras. As a first step in this direction it is proposed to earmark 30 acres of land in Kodambakkam-Pudur area for the eventual construction of a General Hospital for South Madras. The Government Dispensary at Devakottai will be converted into a hospital and new buildings constructed at a cost of Rs. 6·59 lakhs. Provision has also been made in the current year's Budget for the conversion of the Government Dispensary at Arantangi into a Taluk Headquarters' Hospital and for construction of new buildings for the Govern-

ment hospital at Bodinaickanur and Colachel and for construction of an X-ray block in the Government hospital, Sivaganga. A token provision has been made for the construction of an Orthopædic Ward in the Government Headquarter's Hospital at Coimbatore and this provision will be stepped up as soon as the plans and estimates are finalised.

Welfare of Backward Classes.

67. The welfare of backward classes continues to be the special concern of Government. We have made a provision of Rs. 356 lakhs in 1962–63 on schemes for the welfare of Scheduled Castes and Backward Classes. The schemes for payment of scholarships, residential and non-residential, both for technical and non-technical courses will all be continued and suitably enhanced provision made in the current year. We have also proposed to increase the rates of food charges in Government hostels and also sanction a corresponding increase in lump sum boarding grants to subsidised hostels.

Third Five-Year Plan: Progress.

68. In the light of the detailed account I have given of the progress of schemes in different fields of development, the House will be able to appreciate better the progress achieved in the implementation of the Plan as a whole. As honourable Members are aware, the Third Five-Year Plan of the Madras State provides for an outlay of Rs. 291 crores. Against this provision, we had, during 1961–62—the first year of the Plan—incurred an expenditure of Rs. 50·44 crores. The Budget for the current year envisages an outlay of Rs. 57·27 crores for 1962–63. By the end of the Second Five-Year Plan, we would, therefore, have fulfilled the Plan to the extent of Rs. 107·71 crores. Or, in other words, about 37 per cent of the total outlay of the Third Five-Year Plan would have been utilised. Honourable Members would be glad, therefore to learn that our Plan is being fulfilled according to schedule. The details of the outlays on different Plan schemes will be found in a special publication entitled "Third Five-Year Plan—Review of Progress for 1961–62 and Programme for 1962–63" supplied along with other Budget papers.

Non-Plan expenditure: Increase of D.A. of Government Employees, etc.

69. If we are to fulfil a Plan of this magnitude, we should not only mobilise all our resources but also ensure that the expenditure on non-Plan schemes is kept down to the utmost. We have made earnest attempts to keep the expenditure on non-Plan schemes within reasonable limits and thus harness all our resources for the fulfilment of the Plan. Even so, circumstances compel us to take on commitments not envisaged at the time of the preparation of the Plan. Honourable Members are aware that just prior to the commencement of the Third Five-Year Plan, we had undertaken a substantial revision of the scales of pay of

Government servants of all grades in pursuance of the recommendations of the Pay Commission. We had, as part of this general scheme of revision of the scales of pay, brought the dearness allowance of the employees of the State Government in alignment with those of Central Government employees. The announcement by the Government of India in April this year of the increase of the rates of dearness allowance payable to Central Government employees has created a new situation which this Government has been obliged to take note of. The Government of India have raised the rates of the dearness allowance by Rs. 5 in respect of employees getting less than Rs. 150 per month and by Rs. 10 for employees getting between Rs. 150 and Rs. 300. They have also raised the maximum limit for eligibility for dearnes allowance from Rs. 320 to Rs. 400. Our rates of dearness allowance have therefore again got out of step with those of the Government of India. We have carefully considered the question whether the existing rates of dearness allowance of Government employees and those of teachers and employees of Local Bodies should be raised so as to ensure parity with the corresponding grades of Central Governmet employees. Increase in the rates of dearness allowance on this scale will entail an additional annual recurring expenditure of Rs. 3 crores and to that extent encroach on the resources available for the implementation of the Plan. From the figures of revenue and expenditure indicated by me earlier in the Budget, honourable Members would appreciate that our revenue Budget cannot at present bear additional expenditure on this scale. Government are, however, fully aware of the difficulties of their own employees and have decided that in spite of the serious strain to which their finances have been subjected to this year, relief should be given to a large section of their employees. I therefore propose to enhance the rate of dearness allowance from Rs. 10 to 15 in respect of all Government employees getting pay below Rs. 150. This increase in dearness allowance will take effect from the pay for July due on the 1st August. Government will also commend a similar order of increase in respect of teachers under all agencies and employees of the Local Bodies getting pay below Rs. 150 by assisting them with grants to cover the deficit which may be caused in their Budgets on account of increase in the rates of dearness allowance. The increase of dearness allowance for all the categories of staff mentioned above will entail an additional expenditure of the order of Rs. 1·7 crores during the current year and Rs. 2·6 crores in a full year. In view of the present financial stringency, Government have decided that the question of increasing the dearness allowance of the Government employees, teachers and employees of Local Bodies getting Rs. 150 and above should be deferred till additional resources become available.

Preliminary Accounts, 1961–62.

70. We are now in a position to appreciate the details of the present Budget in their proper perspective. Honourable Members are aware that we closed the year 1960–61 with a Revenue surplus

of Rs. 94 lakhs and a cash balance of Rs. 10·15 crores. For the past few years, we have been able to realise small surpluses each year on the Revenue Account and our ways and means position has also been easy. But the increased scale of development expenditure in the Third Plan and the commitments on account of the new welfare services initiated in the Second Plan period are now making themselves felt. The final accounts figures for 1961–62 will not be ready for some time more, but taking all likely adjustments in the accounts into consideration, it is estimated that our revenue deficit for the year will probably be Rs. 8·5 crores as against a deficit of Rs. 6·96 crores fixed in the Revised estimates. Our closing balancef or 1961–62 was Rs. 244 lakhs including a ways and means advance of Rs. 139 lakhs from the Reserve Bank. In the Revised Estimates for 1961–62, we had hoped to close the year with a cash balance of Rs. 429 lakhs, but the Plan assistance from the Government of India for the year could not be adjusted in full within the year with the result that we had to resort, in March, to ways and means advances from the Reserve Bank. Our ways and means position will, in the current year, also need constant attention.

71. The preliminary accounts reveal that while the State taxes have generally done better than envisaged, the estimates of expenditure under "Education", "Medical" and "Public Works" have also been substantially exceeded. Under "Education", we have had to spend larger amounts than estimated as grants for primary education and as grants under the school Meals Programme.

Budget for 1962–63.

72. It is precisely the demands of development expenditure together with the commitments on account of increasing the dearness allowance that set the keynote of the estimates of expenditure for 1962–63. The receipts on the Revenue Account are now estimated at Rs. 106·50 crores and the expenditure at Rs. 116·01 crores. The resulting deficit is Rs. 9·51 crores. The adoption of the revised classification in the Budget, to which I have referred already, has inflated the estimates on both the receipts and expenditure sides by Rs. 819 lakhs. The net real increase is Rs. 560 lakhs on the receipts side and Rs. 815 lakhs on the expenditure side. We have been able to fix the estimates more accurately than in the Interim Budget since we have now more data to judge the trends of receipts and expenditure. We have also included 168 new schemes in the Budget which involve an additional expenditure of Rs. 79 lakhs on the Revenue Account and Rs. 131 lakhs on the Capital and Loan Accounts.

73. In refixing the estimates of receipts, we have taken into account the recommendations of the Finance Commission which, together with the growth we anticipate in Central taxes, accounts for an improvement of Rs. 2·10 crores in the Revenue Account. We have also taken full credit for the favourable trends of growth in our State taxes. On the expenditure side, we have made larger

provision under the head "General Administration" in view of the commitments involved in the payment of subsidy under the new well subsidy scheme which has been extended to all the Panchayat Unions. A provision of Rs. 121 lakhs has been made for payment of local cess surcharge matching grant as against Rs. 100 lakhs made in the Interim Budget and Rs. 60 lakhs made in Revised Estimate, 1961–62. The estimates under "Education" have been stepped up from Rs. 23·35 crores in the Interim Budget to Rs. 25·18 crores, an increase which reflects the very large increase in expansion of educational facilities. In the Interim Budget, the payment of grant of Panchayat Unions for primary educatoin was expected to be of the level of Rs. $8\frac{1}{2}$ crores, which we have now stepped up to Rs. 9.87 crores. The expenditure on the School Meals Programme remains at the same level as in the Interim Budget, viz., Rs. 135 lakhs. We have also had to raise our estimates under "Medical" on account of a number of new schemes taken up in 1961–62.

Capital Expenditure.

74. We are now making a larger provision for capital expenditure than in the Interim Budget. The level of our capital expenditure will be nearly 19 crores, as against Rs. 17 crores in the Interim Budget. The provision for the Special Minor Irrigation Programme has been stepped up to Rs. 171 lakhs from Rs. 150 lakhs in the Interim Budget. We have increased the loan assistance to the Madras Corporation and have provided for an advance of Rs. 50 lakhs to enable the Corporation to purchase pipes for its water-supply and drainage schemes. The capital outlay of the Electricity Board is expected to be of the same order as in the Interim Budget, viz., Rs. 18·50 crores, but I am making a provision of only Rs. 9 crores as loan to the Electricity Board to finance the capital programme since the Electricity Board is expected to go in for an open market loan of Rs. 3 crores as against Rs. 2 crores envisaged at the time of framing the Interim Budget. I have taken credit for Rs. 10 crores by way of open market loan from the State Government.

Need for Additional Resources.

75. Our Ways and Means position has become far less comfortable than it has been in the recent years. The revenue deficit, too, is of the order of Rs. 951 lakhs. We cannot ignore a deficit of this magnitude if our capacity for implementing the developmental Plans is not to be seriously impaired. It will be a short-sighted policy to seek to balance revenue and expenditure by pruning our developmental programmes, for in the process, we will be jeopardising the long-term prospects of growth of our economy. The economically weaker sections of our society are just beginning to have a glimpse of the good life and we cannot, in the circumstances, think in terms of reducing our outlays on programmes such as Education, Medical Relief, Public Health and Rural Development which to-day account for the bulk of our

expenditure. The proper course will, therefore, be for us to raise additional resources so that our development Plans may be pushed through without any set-back. I place before the House, therefore, the following proposals of Government for additional taxation which will all take effect from 1st July 1962, unless indicated specifically to the contrary.

Taxation of passenger buses and goods vehicles.

76. Government's first proposal is to increase the present level of taxation on passenger buses and goods vehicles, both under the Madras Motor Vehicles Taxation Act and the Madras Motor Vehicles (Taxation of Passengers and Goods) Act. At present, under the Madras Motor Vehicles Taxation Act, 1931, buses generally pay a quarterly tax for each passenger seat at the rate of Rs. 23 in the Madras City and Municipal towns and Rs. 30 in other areas. The present rates of quarterly taxation do not vary with daily mileage done by the buses and do not thus take note of the higher income derived by buses operating longer mileage. We now, therefore, propose to divide the passenger buses into different slabs according to the mileage done and levy suitably enhanced rates for each slab. Our proposal is to increase the quarterly tax per seat by Rs. 5 in respect of buses with daily mileage of 132 miles, by Rs. 10 in respect of buses with daily mileage between 132 and 169 and by Rs. 15 in respect of buses doing 170 miles and above. Expressed in Metric Units, the new rates of taxation will be as follows :—

Daily mileage of buses.	*Quarterly tax per passenger seat.*	
	Madras city and other specified towns.	*Other areas.*
(1)	(2)	(3)
	RS.	RS.
Up to 210 kilometres	28	35
210 to 270 kilometres	33	40
Above 270 kilometres	38	45

The increase in rates will not however apply to standing passengers.

77. Under the Madras Motor Vehicles (Taxation of Passengers and Goods) Act, bus operators pay five naye paise in the rupee on fares payable. This tax may be compounded either at Rs. 12·50 per seat per quarter or at 38 nP. per seat per year per mile. Under the present procedure, a bus doing a longer mileage pays the same rate of composition as a bus doing shorter mileage. The present scheme of composition thus confers an undue advantage on buses doing more than 132 miles per day. We now propose to increase

the rate of taxation to 10 nP. in the rupee on fares payable and also to change suitably the procedure of composition. It is proposed to allow a rate of composition at Rs. 25 per seat per quarter only for buses doing a mileage up to 210 kilometers. The composition rate for buses doing a higher mileage will be 48 nP. per seat per year per kilometre, subject to a maximum of Rs. 35 per seat per quarter. This will ensure that buses doing longer mileage pay appropriately higher rates of composition.

78. At present, under Madras Motor Vehicles (Taxation of Passengers and Goods) Act, goods vehicles pay a quarterly tax based on their laden weight. The tax ranges from Rs. 33 to 467, which is at present the rate for vehicles with laden weight of over 180 cwt. Under the scheme, vehicles of higher laden weights in fact pay proportionately less per ton even though such vehicles may get higher profits and may cause greater damage to the roads. It is therefore now proposed to adjust the existing rates of taxation on goods vehicles and also suitably enhance the rates, so that vehicles with higher laden weights may pay larger amount. The new rates will also be expressed in terms of metric weight. The order of increase which I contemplate may be illustrated with reference to the present and proposed rates of taxation on two categories of vehicles :—

(i) Vehicles weighing from 110 to 150 cwt., and

(ii) vehicles weighing from 150 to 180 cwt.

On the first category of vehicles, the present rate is Rs. 360 per quarter. I propose to increase this to Rs. 500 per quarter. On the second category of vehicles, the present rate is Rs. 427 and I propose to increase this to Rs. 615. There is a proposal separately under consideration for increasing the maximum permissible laden weights. The present scheme of taxation does not provide for any enhanced rates for vehicles with laden weights exceeding 9 tons. We propose to correct this by fixing suitable rates for vehicles over 9 tons.

79. Under the Madras Motor Vehicles (Taxation of Passengers and Goods) Act, 1952, a tax of 3 nP. in the rupee of freight payable is levied. Here again, there is provision for composition at Rs. 22·50 per vehicle per month. It is now proposed to double the existing rate of taxation in respect of freights corresponding to the increase effected in respect of the tax on passenger fares. Composition will be allowed at Rs. 45 per vehicle per month. The adjustments and enhancements proposed in the two enactments dealing with taxation of passenger buses and goods vehicles are expected to yield revenue of the order of Rs. 200 lakhs in the current year.

Tax on Electricity.

80. The Government have also decided to levy a tax on the consumption of electricity. This tax will be collected through the Electricity Board and the licensees. The licensees now buy electricity from Electricity Board and sell it to others. The

licensees will be taxed only in respect of the energy consumed by themselves and in respect of the energy sold by them to their customers, the tax will be levied on customers and collected through the licensees. Power is now supplied and consumed in the form of high-tension power and lower-tension power. High-tension power is mainly consumed by industries, bulk consumers and licensees. Low-tension power is consumed mainly for domestic and lighting purposes and for agricultural purposes. The rates for high-tension power are comparatviely low, the maximum being 4·7 nP. per unit for industry. The low-tension rates are comparatively higher, the highest domestic consumption rate being 29 nP. per unit. We now propose to levy a tax of 10 per cent on all consumption of low-tension power, including consumption of energy by the constituents of the licensees. On high-tension power, which is charged at considerably lower rates, the tax will generally be 20 per cent. The rates in respect of some specified industries will, however, be suitably adjusted so as not to cause any perceptible rise in the cost of production. In this view, the tax will be levied at 10 per cent on electricity consumed by cement industry and at 5 per cent on consumption of energy by electro-chemical and electro-metallurgical industries, such as those engaged in manufacture of caustic soda, Calcium Carbide, Aluminium, etc. Government will take powers to notify industries in respect of which such concessional rates should be charged having regard to their scale of consumption of electricity in the process of manufacture. The electricity charges constitute only a small portion of the total cost of production of textile industry and it is therefore proposed to levy this tax at 30 per cent on supplies of energy made to textile mills. New industrial units will be exempted from this tax for a period of three years from the date of commencement of production. In the Madras Thermal System, as the honourable Members are aware, consumers of high-tension energy have to pay, besides the basic rate, also a fuel surcharge based on the price of coal. This fuel surcharge is substantially high when compared with the basic rates of energy. Having regard to this, we propose to exempt the fuel surcharge paid in the Madras Thermal System and to levy this tax only at 5 per cent on the basic rates. Government have carefully considered the implications of this levy and have satisfied themselves that there will be no perceptible rise in the cost of production of different industries, particularly in view of the concessional rates proposed for electricity-intensive industries. Our detailed calculations show that the rise in cost of production will in no case exceed one per cent and will, in most cases, be substantially less. This tax is estimated to yield Rs. 215 lakhs in the current year.

Stamp duties.

81. We also propose to increase by 50 per cent the rates in the Schedule to the Stamps Act in respect of all items within the competence of the State Government. The present rates were fixed in 1943 and have not been revised since then. The present

stamp duty on sales of immovable property is, for example, roughly 3 per cent of the calue of the property. Over and above this, a surcharge of 5 per cent on the value of the property is levied under the Municipalities Act, the Panchayats Act and the Corporation Act and credited to the local bodies. The enhancement now proposed will entail an increase in the total stamp duty payable in respect of immovable property from 8 per cent to $9\frac{1}{2}$ per cent (i.e. $4\frac{1}{2}$ per cent stamp duty, plus 5 per cent surcharge for the benefit of local bodies). This increase in stamp duty will take effect from a date to be notified by Government after the passing of necessary amending legislation and is expected to yield Rs. 100 lakhs.

Wet assessment and water-rates.

82. My next proposal relates to wet assessment and water-rates. As honourable Members are aware, the assessment on lands registered as wet in revenue accounts has not been revised during the last 30 years in view of the policy of the Government not to have fresh settlements. The lands registered as wet in revenue accounts are all under old irrigation projects completed before the settlement operations and pay an assessment which is less than the charges now levied on lands under the new irrigation projects The prices of agricultural produces have substantially risen as also the cost of maintenance of irrigation works. The assessment on lands registered as wet is a consolidated levy which includes a basic assessment for land and water-rate. The water-rate component of the wet assessment may be taken as equivalent to 60 per cent of the consolidated charge on the lands and our aim being to secure twice the water-rate now being charged, the Government have decided that assessment on lands registered as wet in revenue accounts be raised by 60 per cent in respect of lands under Classes I and II sources and by 40 per cent in respect of other sources. Agreeably with the increase in wet assessment, Government also propose to raise the water rates payable on dry lands by 100 per cent in respect of I and II classes sources and by 50 per cent in respect of other sources. The lands irrigated under the new irrigation projects,—Amaravathi Project, Sathanur Project, Krishnagiri Project, etc., in fact all projects completed since the First Plan period—in respect of which the water rates have been fixed only comparatively recently will not be affected by the increase now proposed. In order to minimise the burden on landholders, it has also been decided that the present increase in wet assessment and water rate shall not come within the purview of the levy of local cess and local cess surcharge by Panchayat Union. This measure of taxation is expected to bring in an additional revenue of Rs. 1 crore in the current year and Rs. 1·3 crores in a full year.

Tax on urban land.

83. Honourable Members are aware that in recent years, as a result of all our Plans of development, the land values in urban areas have increased substantially and many owners of land have

derived substantial unearned increments from this rise in land values. It is, therefore, necessary to think in terms of a suitable special levy on lands in urban areas, so that such lands may also bear their legitimate share of burden in contributing to schemes of development. Our present scheme of taxation on urban land is unscientific and has no relation to the present values of land. Honourable Members will realise this from the fact that from the old portion of the Madras City covering an area of over 20 square miles, the Government get at present only Rs. 3 lakhs by way of land tax. In mufassal towns too, lands which originally were part of village natham do not pay any tax at all. Only in respect of lands originally at the disposal of Government and assigned to parties, a low ground-rent at Rs. 6·25 per acre or Rs. 12·50 is collected. We, therefore, propose to levy a new tax on urban land. Such a tax will be applicable to Madras City as well as other Municipal towns. A survey of all urban lands will have to be made for this purpose and the lands will also have to be divided broadly into zones and suitable rates of taxation will have to be fixed for each such zone. Government are examining in detail all aspects of urban taxation on these lands and propose to come before this House with necessary legislation in due course. Our idea is to relate the urban land-tax to the market value of the lands. For the present, I take credit only for a sum of Rs. 25 lakhs from this source of revenue.

84. I also propose to increase the levies under the Madras Betting Tax Act, 1935. Under this Act, two types of taxes are levied : (1) The totalizator tax, and (2) the tax on bets with bookmakers. The rate of tax on totalizator and on betting with bookmakers is 10 per cent for Madras and 5 per cent for Ootacamund. I propose to double these rates and secure an additional revenue of Rs. 24 lakhs. The present tax stipulates a maximum of 12½ per cent and a bill for amending this provision will be presented to the Legislature shortly.

Cess on sugarcane.

85. It is also proposed to increase the cess levied on sugarcane entering into specified local areas notified by the Government under the Madras Sugar Factories Control Act, 1949. Under the notification issued under this Act, a cess of Rs. 2 per ton on cane delivered to factories can be levied. It is now proposed to increase the cess from Rs. 2 per ton to Rs. 5 per ton and secure an additional cess income of Rs. 50 lakhs. The increase under this sugarcane cess will not provide any relief to the Revenue Accounts, as the receipts are finally shown in the deposits section of the Public Account. This will, however, provide us relief in our ways and means position and what is more important would enable us to take up more schemes for the development of the sugarcane industry and for the improvement of communications in the sugarcane growing areas.

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86. The proposals for taxation outlined above, barring the one relating to enhancement of sugarcane cess will involve legislation. Necessary new bills or amending bills will be brought before the Legislature. The enhancement of sugarcane cess can be given effect to by notification. The measures of additional taxation are expected to yield a revenue of Rs. 7·15 lakhs in the current year. This will enable us to reduce the deficit in the Revenue Account to Rs. 2·86 lakhs and close the ways and means account for the year with a cash balance of Rs. 72 lakhs. We will still have the deficit of Rs. 2·86 lakhs and in the hope that the new measures of taxation may in the coming years bring us additional revenue, we propose to leave it uncovered.

Conclusion.

87. The proposals outlined above no doubt represent a substantial tax effort on our part but are inescapable in the context of our developmental programmes. The problems which face us are many and varied. They are the product of centuries of neglect when our people remained in bondage. We stood still when other countries advanced taking full advantage of science and technology. Our political freedom attained after decades of struggle and sacrifice presented us with a challenge and an opportunity. It gave us the opportunity to will our own future. It also presented us with the challenge that if we did not catch up with the other advanced countries in the shortest possible time, we would for ever be left behind. Other countries like Britain or United States could afford to take two centuries or more for reaching their present levels of development, for they had an early start and life moved at a leisurely pace. We have had to compress all the processes of growth which the other countries had undergone into a much shorter span of time and therefore decided on planned economic development through a series of Five-Year Plans with the State playing an active part. This itself was by no means an easy task. It was rendered still more difficult because we decided in favour of planning within a framework of economic democracy. This conjunction of economic planning and democracy means that we could not force the rate of growth beyond a point ignoring the current demands of people for higher standards of living and for improved welfare services. In our Plans, we had to attach equal importance to improvement of production as well as expansion of welfare services like Education, Medical Relief, Housing, etc. Our experiments in economic planning are unique and are watched with interest by people elsewhere. Our Plans may look ambitious and staggering in absolute terms. But they are quite modest in relation to our needs. It is therefore all the more necessary that we should fulfil these plans in their entirety and guard against shortfalls in the attainment of targets both in physical and financial terms. We fulfilled most of the targets set in our Second Plan and substantially exceeded the targets in certain crucial fields. This was possible because we had an efficient administrative machinery

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and because we mobilised the necessary resources both in the form of additional taxation and borrowing. Our administrative machinery still continues to be efficient and what we need is only additional resources for providing the sinews of development. During the Second Plan period, we could mobilise additional resources, for the Members of this House and the people whom they represented gave us their intelligent co-operation and viewed all problems of development as beyond the pale of political controversy. I would plead that this House may be pleased to bring the same non-partisan approach to bear upon the discussions on this Budget, which I now have the honour to commend for their acceptance.

